



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING


GRETCHEN WHITMER  
GOVERNOR

MICHAEL F. RICE, Ph.D.  
STATE SUPERINTENDENT

**MEMORANDUM**

**DATE:** November 17, 2022

**TO:** Local and Intermediate School District Superintendents  
Public School Academy Directors

**FROM:** Delsa D. Chapman, Ed.D., Deputy Superintendent   
Division of Educator, Student, and School Supports

**SUBJECT:** Announcing the American Rescue Plan Act, Homeless Children  
and Youth II Grant Application

The Michigan Department of Education (MDE) is pleased to announce the availability of the federal American Rescue Plan Act, Homeless Children and Youth II (ARP-HCY II) grant application for local education agencies (LEAs), both traditional public school districts and public school academies (PSAs). This grant is funded under the American Rescue Plan Act of 2021, American Rescue Plan Homeless Children and Youth (ARP-HCY).

The ARP-HCY II grant provides additional funding to LEAs to meet the needs of students experiencing homelessness and, in particular, their other needs resulting from the pandemic.

**Funding Description:** ARP-HCY II funds help LEAs identify homeless children and youth, provide wraparound services that address the multiple effects of the COVID-19 pandemic on homeless children and youth, and ensure that homeless children and youth can attend school and participate fully in school activities. These funds were allocated to states in Section 2001(b) of the American Rescue Plan and are being allocated under the formula described below. These funds are non-competitive.

**Allocation Formula:** ARP-HCY II funds were allocated using a formula set forth by the U.S. Department of Education. The formula is based equally on the following:

- The proportional share of each LEA's allocation under Title I, Part A for the most recent fiscal year (2021-22).
- The LEA's proportional share of the number of homeless children and youth identified by each LEA relative to all LEAs in the state, with the use of the greater number of homeless children and youth in either the 2018-19 or 2019-20 school year in each LEA.

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**Applying for Funds:** LEA program allocations are posted on the [MDE Program Allocation webpage](#) under *2022-23 ARP-HCY II Funding Allocations*. The ARP-HCY II grant application is in NexSys and due March 1, 2023.

An additional step must be taken if an LEA's allocation for this funding is less than \$5,000. If an LEA's allocation is less than \$5,000, in order to receive an ARP-HCY II subgrant, the LEA **must** join a consortium to meet the \$5,000 threshold. Additional information on forming a consortium is included as an addendum.

If an LEA chooses to decline funds and not participate in this funding opportunity, the local superintendent or designee should complete the survey at this [link](#) by **March 1, 2023**.

Declined funds will be redistributed to LEAs that accept funds for use in 2023-24. In addition, funds not spent in 2022-23 will be carried over to a 2023-24 NexSys application. Funds are available until September 30, 2024.

ARP-HCY II Grant Application Timeline–Important NexSys Dates	
November 3, 2022	2022-23 grants available to be initiated in the NexSys system.
March 1, 2023	2022-23 grants are due in NexSys for a November 3, 2022 obligation date. Only allowable activities approved in the application may be paid for with funds. The survey to decline funds is due.
September 30, 2023	2022-23 funding year closes. The remaining funds will be carried over into the 2023-24 application.
November 29, 2023	2022-23 Final Expenditure Report (FER) is due.
January 1, 2024	2023-24 application will open with carryover following the processing of the FER.
September 30, 2024	<b>The grant period ends. Final day for expenditures.</b>
November 27, 2024	FER and Final Report due

**Technical Assistance (TA) Opportunities and Resources:** In November, ARP-HCY II relevant materials, monthly office hour schedules, TA webinar registration, and FAQs will be posted on MDE's [Title IX, McKinney-Vento Homeless Education webpage](#) under the section titled: *ARP-HCY II Resources for LEAs*.

**Allowable Uses of Funds:** ARP-HCY II funds must be used to support students experiencing homelessness or to provide outreach and training to ensure the identification, enrollment, retention, and academic success of children and youth

experiencing homelessness. Expenditures must adhere to the allowable 16 authorized activities described in Title VII-B of the McKinney-Vento Homeless Assistance Act, as well as provide needed wraparound services that address the multiple effects of the COVID-19 pandemic. The federal law, including the 16 authorized activities, and the spending guidance can be found under *Important Correspondence* on MDE's [Title IX, McKinney-Vento Homeless Education webpage](#).

**Forming Consortia Under ARP-HCY II:** An LEA must have a minimum allocation of \$5,000 to receive an ARP-HCY Part II grant. LEAs with an allocation less than \$5,000 may receive a subgrant only as part of a consortium. Consortia are eligible to receive a grant if the total of their combined allocations is at least \$5,000. For this grant, a consortium means a subgrantee that consists of more than one LEA.

All LEAs that received a preliminary allocation of less than \$5,000 are encouraged to join a consortium in order to receive funds rather than return the funds to MDE for reallocation. Each consortium must designate a member to serve as the consortium lead.

- There is no limit to the number of LEAs that can join a consortium.
- Each consortium must have a combined allocation of at least \$5,000 among all participating LEAs.
- LEAs do not need to be in the same Intermediate School District (ISD), Educational Service District (ESD), Educational Service Agency (ESA), Regional Educational Service District (RESA), or Regional Educational Service Agency (RESA).
- A consortium lead can be either an LEA or an ISD/ESD/ESA/RESA/RESA.

#### **Responsibilities of the Consortium Lead:**

The consortium lead is responsible for acting as the fiscal agent for the consortium and for the assurance that all requirements are met.

Responsibilities of the fiscal agent include:

- Co-creating a plan for how funds will be used or distributed, including any services to be provided to consortium members that meet the needs of students experiencing homelessness in all member LEAs.
- Developing and collecting Memoranda of Understanding (MOU)/agreements signed by all consortium member LEAs that reflect the needs of students and plan for the use of funds.
- Completing the ARP-HCY Part II application and budget in NexSys.
- Managing the budget and completing all reporting in NexSys.
- Ensuring the consortium completes a final report.

Consortium leads may use a reasonable and necessary amount of combined consortium funds to cover costs relating to direct administration activities (such as staff time to submit applications, reimbursements, and reports). Consortium leads may also charge an indirect cost rate to the grant. All consortium members should agree on administration costs before agreements are signed and grant funds are surrendered to the consortium lead.

Existing consortium relationships through the McKinney-Vento (MV) regional consortium grant projects may be leveraged if the MV consortium lead has the capacity to assume this role.

**Responsibilities of a Consortium Member:**

An LEA choosing to join a consortium to receive ARP-HCY Part II funds will select an LEA or ISD/ESD/ESA/RESA/RESA to manage their funds when the grant application is available in NexSys. By joining a consortium, the LEA is electing to transfer the management of their ARP-HCY Part II allocation to the consortium lead. Consortium members will engage with the consortium lead to co-create a plan for how funds will be used to support the unique needs of students experiencing homelessness in their LEAs. All consortium members should agree on the use of funds and services provided before the LEA elects to transfer fund management to the consortium leader. The consortium leader and all consortium members will complete an MOU that reflects this plan. MDE does not require a specific MOU or agreement form.

Please direct questions regarding this grant to the Office of Educational Supports, Special Populations Unit at [McKinney-Vento@michigan.gov](mailto:McKinney-Vento@michigan.gov) or 517-241-6977.

cc: Michigan Education Alliance  
Confederation of Michigan Tribal Education Departments